## **Introduced by Senator Romero**

February 27, 2009

An act relating to community colleges. An act to amend Section 21623 of the Government Code, relating to public employees' retirement, and making an appropriation therefor.

## LEGISLATIVE COUNSEL'S DIGEST

SB 593, as amended, Romero. Community colleges. Public employees' retirement: postretirement death benefits.

The Public Employees' Retirement Law requires that, upon the death of any state or school member after retirement and while receiving a retirement allowance, the sum of \$2,000 be paid to the member's designated beneficiary, as specified. Existing law provides that the additional employer contributions required to fund this benefit be computed as a level percentage of member compensation, and these are deposited in the Public Employees' Retirement Fund, a continuously appropriated fund.

This bill would increase the amount of that payment to \$6,163 with respect to those school members. By providing for funds in the Public Employees' Retirement Fund to be spent for a new purpose, and by increasing contributions to that fund, this bill would make an appropriation.

Existing law establishes the California Community Colleges under the administration of the Board of Governors of the California Community Colleges. Existing law also authorizes the establishment of community college districts, and further authorizes the operation, by  $SB 593 \qquad \qquad -2-$ 

these districts, of community college campuses that offer instructional services throughout the state.

This bill would express the intent of the Legislature to enact legislation to ensure that the instruction in the California Community Colleges prepares students for alternative pathways in the workforce and in higher education.

Vote: majority. Appropriation: <del>no</del>-yes. Fiscal committee: <del>no</del> yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 21623 of the Government Code is 2 amended to read:

21623. (a) In lieu of benefits provided by Section 21620 or 21622, upon the death of any retired state-or school member, after retirement and while receiving a retirement allowance from this system, there shall be paid to the beneficiary whom he or she shall nominate by written designation duly executed and filed with the board, the sum of two thousand dollars (\$2,000), to be provided from contributions by the employer.

(b) In lieu of benefits provided by Section 21620 or 21622, upon the death of a retired school member, after retirement and while receiving a retirement allowance from this system, there shall be paid to the beneficiary whom he or she shall nominate by written designation duly executed and filed with the board, the sum of six thousand one hundred sixty-three dollars (\$6,163), to be provided from contributions by the employer.

<del>(b)</del>

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(c) For the purposes of this section, all contributions, liabilities, actuarial interest rates, and other valuation factors shall be determined on the basis of actuarial assumptions and methods that, in the aggregate, are reasonable and that, in combination, offer the actuary's best estimate of anticipated experience under this system.

23 <del>(e)</del>

(d) The additional employer contributions required under this section shall be computed as a level percentage of member compensation.

27 <del>(d)</del>

(e) This section shall apply to a school employer and a retired school member whose death after retirement occurs on or after

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January 1, 2001. This section shall not apply to any contracting agency or local member, except those contracting agencies that are school employers and those school districts or community college districts as defined in subdivision (i) of Section 20057.

SECTION 1. It is the intent of the Legislature to enact legislation to ensure that the instruction in the California Community Colleges prepares students for alternative pathways in the workforce and in higher education.